



STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
500 JAMES ROBERTSON PARKWAY  
NASHVILLE, TENNESSEE 37219

NED McWHERTER  
GOVERNOR

ELAINE A. McREYNOLDS  
COMMISSIONER

B U L L E T I N

TO: All Companies Doing Business  
in Tennessee

FR: Elaine A. McReynolds, Commissioner *EAM*  
Department of Commerce & Insurance

RE: Fictitious Groupings - Mailings to Bank Customers

DA: September 1, 1988

Due to a recent program of an insurer doing business in Tennessee involving mailings to customers of a bank, the Department feels that it is appropriate to issue this bulletin advising insurers doing business in Tennessee of the Department's position with regard to such programs.

Tennessee Code Annotated Section 56-8-116, Tennessee's "fictitious grouping" statute prohibits an insurer from making, offering to make, or permitting any preference or distinction in property, marine, casualty, or surety insurance based upon membership or nonmembership in any particular group, association, corporation or organization. Accordingly, no insurer may offer a particular policy only to a particular group. In order to comply with T.C.A. Section 56-8-116, any insurance product marketed to customers of a bank must not only be made available to any purchaser, whether or not a customer of the bank, but any mailings by the insurer regarding such a product must include a prominent affirmative statement of this fact.

EAM/cmf